

Report on the

# **Manufactured Housing Commission**

## **State of Alabama**

Montgomery, Alabama

**October 1, 2019 through September 30, 2021**

**Filed: January 28, 2022**



## **Department of Examiners of Public Accounts**

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*Rachel Laurie Riddle, Chief Examiner*



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Honorable Rachel Laurie Riddle  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Manufactured Housing Commission, Montgomery, Alabama, for the period October 1, 2019 through September 30, 2021. Under the authority of the ***Code of Alabama 1975***, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

Gerald Dedon  
Examiner of Public Accounts

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## Department of **Examiners of Public Accounts**

### **SUMMARY**

#### **Manufactured Housing Commission October 1, 2019 through September 30, 2021**

This report presents the results of an examination of the Manufactured Housing Commission (the “Commission”) and a review of the Commission’s compliance with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. Our examination was performed to determine whether the public officers, agents, and employees of the Commission properly and lawfully accounted for all money and other public assets, or resources received, disbursed, or in the custody of the Commission. Our examination included determining compliance by the Commission with state laws and regulations that pertain to financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the Commission accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

The Commission operates under the authority of the *Code of Alabama 1975*, Sections 24-4A-1 through 24-4A-7; 24-5-1 through 24-5-34; and 24-6-1 through 24-6-4. By law, the Commission exercises licensing and regulatory authority over businesses engaged in manufactured and modular housing and buildings.

In addition, the Commission, as the State Administrative Agency (SAA) for the U. S. Department of Housing and Urban Development (HUD), participates in the Federal Standards Enforcement Program to ensure all manufactured buildings/homes are built in compliance with International, and/or National Building Codes, and/or the National Manufactured Housing Construction and Safety Standards Act.

The Advisory Board is comprised of nine members. The Governor appoints six members, subject to Senate confirmation. Three of these members must be from the industry, with two representing manufacturers and one representing retailers. The Governor's other three appointments are consumer members, with one living in a manufactured home at the time of appointment. The consumer appointments are selected from the current congressional districts as follows: one appointee is to reside in congressional district 4 or 5; one appointee is to reside in congressional district 3 or 6; and one appointee is to reside in congressional district 1, 2, or 7. The Governor's appointments are selected from a list of nominees submitted by the Alabama Manufactured Housing Association. Members serve five-year terms and are eligible for reappointment.

The remaining three members are governmental representatives appointed as follows: one local government representative appointed by the President Pro Tempore of the Senate; one member of the House of Representatives appointed by the Speaker of the House; and one member of the Senate appointed by the Lieutenant Governor. The governmental representatives serve for the initial terms of their elected office and may be reappointed.

The Administrator of the Commission is appointed by and serves at the pleasure of the Governor. The Administrator has sole authority to formulate, implement, and execute policy, laws, and regulations for the Commission, and consults with the Advisory Board as necessary.

The Commission operates from Special Revenue Fund 350 maintained in the State Treasury. The Commission's operating funds are derived from licensing fees and fines collected by the Commission in carrying out its statutory mission. Unexpended balances in the Commission's fund at year-end remain on hand for subsequent expenditure.

The Commission owned nonconsumable personal property consisting of automobiles, office furniture, computers, and equipment. Nonconsumable personal property in the custody of the Commission was compared with property records maintained by the Property Inventory Control Division of the State Auditor's Office. No discrepancies were noted.

Tests performed during the examination did not disclose any significant instances of noncompliance with applicable laws and regulations.

### **EXIT CONFERENCE**

Board members and the Administrator were invited to an exit conference held on January 11, 2022. Individuals in attendance were Jimmy Harris, Administrator; Steve Pinckard, Assistant Administrator; Dean Hartzog, General Counsel; and Stephen Roye, Accountant; along with Robin Hutcheson and Gerald Dedon from the Department of Examiners of Public Accounts.

***Schedule of Cash Receipts, Disbursements and Balances***  
***For the Period October 1, 2019 through September 30, 2021***

	2020-2021	2019-2020
<b><u>Receipts</u></b>		
Dealers License and Permit Fees	\$ 916,178.40	\$ 767,525.90
Installers License and Permit Fees	1,068,088.55	964,399.66
Modular License and Permit Fees	652,648.36	549,574.75
Fines and Penalties	39,365.00	9,875.00
Professional/Occupational Board Penalties	20,625.00	20,400.00
Copy Fees	2,772.64	4,397.44
Bad Check Penalties		380.00
Insurance Recoveries		18,969.67
Salvage Equipment	30,597.00	28,224.70
Prior Year Refunds	111.68	43.99
Federal Operating Reimbursements	464,845.50	347,118.50
Total	<u>3,195,232.13</u>	<u>2,710,909.61</u>
<b><u>Disbursements</u></b>		
Personnel Costs	1,494,000.84	1,481,374.07
Employee Benefits	602,594.96	594,429.10
Travel-In-State	20,862.55	20,176.40
Travel-Out-of-State	999.83	1,706.15
Repairs and Maintenance	80,121.08	11,647.58
Rentals and Leases	14,585.82	10,638.79
Utilities and Communications	56,251.54	57,425.62
Professional Services	79,685.86	62,039.24
Supplies, Materials and Operating Expenses	49,066.05	51,562.73
Transportation Equipment Operations	59,339.72	47,426.15
Transportation Equipment Purchases	209,167.00	185,773.15
Other Equipment Purchases	31,165.64	23,261.97
Total	<u>2,697,840.89</u>	<u>2,547,460.95</u>
Excess of Receipts Over Disbursements	497,391.24	163,448.66
Cash Balances at Beginning of Year	<u>3,474,357.51</u>	<u>3,310,908.85</u>
Cash Balances at End of Year	3,971,748.75	3,474,357.51
Reserve for Unpaid Obligations	<u>(154,822.18)</u>	<u>(125,171.28)</u>
Unobligated Cash Balances at End of Year	<u>\$ 3,816,926.57</u>	<u>\$ 3,349,186.23</u>

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***Commission Members and Official***  
***October 1, 2019 through September 30, 2021***

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<b>Board Members</b>		<b>Term Expires</b>
Hon. Eric Boehm	Chairman	2026
Hon. Walter G. Bracy, D.D., D.Th.	Member	2026
Hon. Michael Wade	Member	2022
Hon. Clay Scofield	Member	2022
Hon. Nancy Ballard	Member	2023
Hon. Gary Davenport	Member	2025
Hon. Thad McClammy	Member	Deceased
Hon. Joe Taylor	Member	2023
Hon. William Aycock, Jr.	Member	2023
Hon. Winston Lindsey	Member	2021
Hon. Chet Murphree	Member	Deceased
Hon. Tashina Morris	Member	2022

**Official**

Mr. Jimmy Harris	Administrator 350 S. Decatur Street Montgomery, AL 36104 Phone (334) 242-4036 <a href="http://www.amhc.alabama.gov">www.amhc.alabama.gov</a>
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